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### Student Finance

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# STUDENT FINANCE

## A GUIDE TO HIGHER EDUCATION IN SCOTLAND

Thinking of applying for a full-time higher education course (HNC, HND, degree) at college or university?  
Aged 16 to 19 and living in Scotland?

**Then this guide is for you.**

We'll help you find out what support may be available to you...  
...and show you where to go for more information.



# WHAT WILL IT COST TO STUDY IN SCOTLAND?

**Let's face it, student finance isn't the most exciting of subjects. But finding out early on what financial support you might be entitled to can help you plan your studies better and decide on the best options for you.**

If you're hoping to study a degree at uni or an HNC or HND at college then you need to think about:

- Tuition fees – paid to universities and colleges to cover teaching costs; and
- Living costs – rent, bills, food socialising, books etc.

Most students who live in Scotland and study at Scottish universities or colleges have their **tuition fees paid for\*** by the **Student Awards Agency Scotland (SAAS)**, the Government agency responsible for administering fees, student loans and bursaries to students in Scotland doing

degrees and HNC/Ds.

Even though tuition is free for most students, you'll still need money for living costs. Students rely on a combination of student loans, government and university bursaries, family contributions and part-time work.

**Tuition is free for most students but you must apply to SAAS EVERY YEAR by 30 JUNE to ensure your fees are paid on time, and to receive a student loan and/or a bursary.**

\*Most people who are 'Scottish domiciled' (in other words that live in Scotland and have lived in the UK for 3 years immediately before the course starts) are eligible for free tuition,

but there are exceptions so check [www.saas.gov.uk/\\_forms/funding\\_guide.pdf](https://www.saas.gov.uk/_forms/funding_guide.pdf) for details.

This guide provides an overview of the key aspects of student finance in Scotland to help you make decisions about higher education study.

Policies change often so visit [www.saas.gov.uk](https://www.saas.gov.uk) for the exact details on fees, loans and bursaries, the latest rates and rules on eligibility.

# MONEY FOR LIVING COSTS: SAAS LOANS AND BURSARIES

**You can access support for living costs from SAAS in the form of repayable student loans and non-repayable bursaries. Student loans are available to most students, but those from lower income backgrounds can access larger loans and may also be eligible for income assessed bursaries.**

The main SAAS bursary for students under 25 from lower income households is the Young Student Bursary (see [www.saas.gov.uk/full\\_time/ug/index.htm](http://www.saas.gov.uk/full_time/ug/index.htm) for details of rates and eligibility).

## Rates of Young Student Bursary available in 2016-17

Household income	Young Student Bursary (non-repayable)	Loan (repayable)	Total per year
£0 to £18,999	£1,875	£5,750	£7,625
£19,000 to £23,999	£1,125	£5,750	£6,875
£24,000 to £33,999	£500	£5,750	£6,250
£34,000 and above	£0	£4,750	£4,750

See [www.saas.gov.uk/full\\_time/ug/young/funding\\_available.htm](http://www.saas.gov.uk/full_time/ug/young/funding_available.htm) for updates on 2016-17 rates.

Generally, the lower your household income, the more support you'll be entitled to.

Talk to your folks early on to work out what your household income is, and check if you're eligible, so you have an idea of whether and how much you are entitled to.

The 'Information we need' section of the SAAS website details the documents needed for proof of income:

**[www.saas.gov.uk/how\\_to\\_apply/first\\_application\\_docs.htm](http://www.saas.gov.uk/how_to_apply/first_application_docs.htm)**

# HOW LONG DOES SAAS FUNDING LAST?

**SAAS will usually pay your fees and you'll be entitled to loans/ bursaries for the minimum number of years it takes to complete your HNC, HND or degree.**

In some cases SAAS provide an extra year's funding for students who need to:

- repeat part of their studies;
- change their course (generally to another HNC/HND/Degree); or

- decide to do an 'intercalated degree' as part of a medicine or dentistry degree.

Details about the 'plus one' year can be found at [www.saas.gov.uk/\\_forms/previous\\_study.pdf](http://www.saas.gov.uk/_forms/previous_study.pdf)

## FUNDING AND SUPPORT FOR HNCs AND HNDs AT COLLEGE

**Tuition is also free for most students studying a higher education course at college (HNC, HND), and students on these courses can access the same loans and bursaries as those studying degrees at university.**

### Moving from an HNC/D at college to a degree at university

Going straight from school to university isn't the only way to get a degree in Scotland. Many students progress from studying HNC/Ds at college to degree courses at university:

- Some move from an HNC/D into 1st year at university,
- Others complete an HNC/D and move straight into the 2nd or 3rd year of a degree at university – this is called 'articulation' or Direct Entry.

If you're studying an HNC or HND at college you should also apply to SAAS for support. Students progressing from HNC/D to degree will still receive funding.

The amount of funding depends on what year of the course you enter the degree and how much funding you've already received.

Check [www.saas.gov.uk/\\_forms/previous\\_study.pdf](http://www.saas.gov.uk/_forms/previous_study.pdf) for detailed examples of funding available.

# OTHER SUPPORT AVAILABLE FROM SAAS

**Depending on your background or your chosen course, you may be able to access other support from SAAS which doesn't depend on your household income.**

**Visit the links below to find out more about the specific eligibility criteria and amounts available for each fund.**

- The **Disabled Students' Allowance** offers extra financial support to students for study costs resulting from a disability or learning difficulty: [www.saas.gov.uk/how\\_to\\_apply/dsa.htm](http://www.saas.gov.uk/how_to_apply/dsa.htm)
- The **Independent Student Bursary** is generally for students over 25, but some younger students, such as those who are estranged from their parents, are married/ living with a partner or who have children, may be assessed as Independent Students: [www.saas.gov.uk/full\\_time/ug/index.htm](http://www.saas.gov.uk/full_time/ug/index.htm)
- **Students who are carers** may be entitled to extra support: [www.saas.gov.uk/forms/student\\_carers.pdf](http://www.saas.gov.uk/forms/student_carers.pdf)
- **Care experienced young people** may be eligible for the Young Student Bursary, and may also qualify for additional help with the costs of accommodation during the summer holidays as part of the **Vacation Grant for Care Leavers**: [www.saas.gov.uk/\\_forms/care\\_leavers\\_grant.pdf](http://www.saas.gov.uk/_forms/care_leavers_grant.pdf)
- **Single parents** may be able to access **Living costs grants**: [www.saas.gov.uk/\\_forms/living\\_costs\\_grants.pdf](http://www.saas.gov.uk/_forms/living_costs_grants.pdf)

## Studying to be a nurse or midwife?

Whatever their household income, all student nurses/ midwives are entitled to the non-repayable **Nursing/midwifery Bursary** instead of a loan (£6578 a year in 2015-16): see [www.saas.gov.uk/full\\_time/nmsb](http://www.saas.gov.uk/full_time/nmsb) for updates.

## Dentistry students

Dentistry students at Dundee, Glasgow and Aberdeen University who agree to work for NHS Scotland after graduation are entitled to the **NHS Dental Bursary** of up to £16,000 over the course of their degree: [www.saas.gov.uk/\\_forms/nhs\\_dental\\_bursary\\_scheme.pdf](http://www.saas.gov.uk/_forms/nhs_dental_bursary_scheme.pdf)

# STUDYING IN THE REST OF THE UK

**If you want to study in England, Wales or Northern Ireland you'll be charged tuition fees of up to £9,000 a year. Many students are understandably reluctant to leave Scotland to study, but try not to let this limit your options if you'd like to study elsewhere.**

1. Tuition fees don't have to be paid up-front. SAAS provide non-means tested tuition fee loans which are paid off in exactly the same way as maintenance loans (apply to SAAS as early as possible)
2. You're entitled to the same maintenance loans and bursaries as you'd receive in Scotland from SAAS
3. Many universities provide fee reductions, bursaries, accommodation support etc. to low-income students so check out their student finance webpages
4. You'll have lower living costs as most degrees in the rest of the UK are a year shorter than in Scotland
5. Studying in the rest of the UK offers the chance to study courses which may not be available in Scotland.





# EVER THOUGHT OF STUDYING IN EUROPE?

**Studying at a European university offers an excellent opportunity to experience a new culture while you learn. Many European countries offer free tuition, or charge very low fees to students from other European countries, and lots of unis also teach in English.**

If you're up for a change of scene take a look at the Scottish Government's **pilot project for Study in Europe**, which provides support to students in Scotland wishing to study specific courses at selected universities in

the Netherlands, Germany, Sweden and Denmark: **[www.gov.scot/Topics/Education/PortabilityPilot](http://www.gov.scot/Topics/Education/PortabilityPilot)**.

Funding for 2016-17 has not yet been confirmed, so check with SAAS for updates.

It's also worth looking at **[www.studyineurope.eu](http://www.studyineurope.eu)** for more information on courses and fees in Europe, and **[www.european-funding-guide.eu](http://www.european-funding-guide.eu)** for information on EU scholarships.





# MAKING THE MOST OF YOUR MONEY

**Student loans and bursaries are there to support you during your time as a student but it's up to you how you use this money.**

You'll receive your loan/bursary in 9 monthly instalments between September and May, with a double instalment at the start of your course. So to avoid the temptation of going out and splurging it all on a massive shopping trip, it's really important that you try to work out just how much money you'll have to live off and what you'll have to spend each month.

Money coming in per month	
SAAS bursary and/or loan	
Family contributions	
Part time job	
University bursary, scholarship or endowment fund	
<b>Total monthly income</b>	

Money going out per month	
Rent	
Food	
Bills: heating and electricity if not covered by accommodation costs, internet, mobile, TV licence	
Study costs: books, course supplies, photocopying, fieldtrips	
Travel to and from university	
Socialising and entertainment: cinema, gigs, gym, sports etc.	
Personal costs: clothes, shoes, toiletries etc.	
Gifts for birthdays and Christmas presents	
<b>Total monthly outgoings</b>	

What's the difference between your monthly income and outgoings?

How will you make up any shortfall?

# OTHER THINGS TO THINK ABOUT

## Home or away?

Choosing where to live during your studies is a big decision, but the most important thing is that you choose the course and university that's right for you.

- Some students decide to live at home, which may be a cheaper and more familiar option than student accommodation, allowing you to stay in touch with friends, family and work.
- Others choose to live in halls which can be a great way to meet new people, and living away from home may offer more choice of what and where to study.

Try not to let concerns about student loans stop you from attending your preferred university/ college.

## Part time work

Many students supplement their income with part time work during term time and/or full time during the summer holidays.

- How many hours you work is up to you, but try not to take on too much or your studies could suffer.
- Unis/ colleges recommend no more than 12 to 15 hours a week.
- Start looking for summer jobs early - check out universities' careers websites where student jobs are often advertised.

## Money talks

Try to have an open conversation with your parents/carers about whether and how they might be able to support you.

- Perhaps they could help with your rent or bills, or offer you some kind of loan? If they're unable to, try to talk through your alternatives.



# THERE'S EXTRA FUNDING OUT THERE...

...you just need to know where to look.

SAAS isn't the only place to look for funding.

**Some universities also offer extra bursaries** to support those on lower incomes with living costs.

For example, the University of Edinburgh awards eligible undergraduate students up to £2,000 a year to help with living costs.

One student to have benefitted from this was Charles, a 2nd year student from Glasgow:

'I was the only person in my year to go to uni, and I really wanted to study away from home. If it wasn't for the Accommodation Bursary I wouldn't have been able to afford the hall fees, so it made a huge difference.'

Lots of universities also offer **scholarship funding** to high achieving students. See <http://bit.ly/database-of-scottish-universities-finance-pages> for details.

Be prepared! It is best to look at these as soon as you can - some unis have both April and June deadlines, so it's good to get in there early and check the small print.

## Educational trusts and charities

It's also worth looking at SAAS' Register of Educational Endowments [www.saas.gov.uk/\\_forms/ree1.pdf](http://www.saas.gov.uk/_forms/ree1.pdf)

This lists 400 Scottish educational trusts offering extra funds to students – usually to

help with study, travel or living costs.

Funds are often only available to students from specific places or backgrounds, so check the details carefully before applying.

## Don't panic!

If you do have money problems once you're at uni or college then you'll never be short of help.

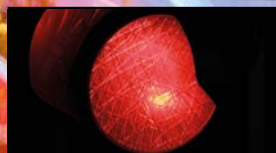
- Student support officers, finance departments and student unions are great places to go for confidential advice and support.
- Universities and colleges also offer discretionary funds and emergency loans to students in financial trouble.

# STUDENT LOANS: SOME DEBT IS BETTER THAN OTHERS!

**There are a lot of myths out there about student debt, so it is worth bearing a few things in mind before you decide whether or not to take out a student loan.**

Many students in Scotland graduate with at least some debt– be that student loans, bank overdrafts or credit cards – and most manage fine. BUT there is a big difference between student loans and other forms of debt.

It can be helpful to think of different types of debt in terms of **traffic lights**.



**Pay day lender loans,  
store cards & credit  
cards**

Very high interest rates, high charges and quick repayment – avoid!



**Interest free overdrafts  
for student bank  
accounts**

Free overdrafts until 1-3 years after graduation when interest is charged at around 10%. Remember to pay it off in time.



**Student loans**

Very low interest rates, repaid over a long period and designed especially for students.

# REPAYING STUDENT LOANS: MORE MANAGEABLE THAN YOU MIGHT THINK!

**Student loan repayments are made to the Student Loans Company and are tied to your earnings - i.e. they are 'income contingent'. How quickly you repay your student loan depends on how much you earn. The more you earn the faster you will pay off your debt.**

## **Do I have to pay the whole loan off in one go when I graduate?**

No, you repay small amounts over a long period. Once you are earning over the 'repayment threshold' (£17,335 in 2015/16) repayments are taken automatically from your pay, in the same way as tax and national insurance.

## **When do repayments start?**

In the April after you graduate, but you only begin repaying if you earn more than £17,335. If you earn less than this you won't pay a penny.

## **What if I'm in a low paying job?**

If you never earn more than £17,335 you'll never pay anything back.

## **Is there a minimum amount you have to repay?**

Once you're earning more than £17,335 you'll pay back 9% of the difference between what you earn and £17,335 (though you can repay more if you wish). The average graduate starting salary in Scotland is around £20,000, which means you'd repay just £20 a month.

Martin (18)

**Studies an HNC at a  
Scottish college**

'It's a wee bit daunting having debt and only being 18. But you don't need to pay it back until you're earning over a certain amount. And even then it's not too much you pay back each month'.

# HOW MUCH WOULD I REPAY A MONTH?

Examples of monthly repayments based on earnings

Annual Income each year before tax	Monthly salary before tax	Indicative monthly repayment
Up to £17,335*	£1445	0
£18,000	£1500	£5
£19,000	£1583	£12
£20,000	£1667	£20
£22,500	£1875	£39
£25,000	£2083	£57
£27,500	£2292	£76
£30,000	£2500	£95
£35,000	£2917	£132

*\*repayment threshold in 2015-16, but may change in future, see [www.saas.gov.uk](http://www.saas.gov.uk) for details.  
Monthly repayments are estimates only and are subject to changes in interest rates.*

SAAS have a **useful repayment calculator** where you can estimate your total repayments based on your predicted earnings: **[www.saas.gov.uk/my\\_money/loan\\_repayments.htm](http://www.saas.gov.uk/my_money/loan_repayments.htm)**

## Is interest charged on student loans?

Yes, but at a really low rate because they are subsidised by the government. Student loan interest rates are tied to inflation, which causes prices and wages to increase over time - if inflation increases your repayments will too. Interest rates are currently very low, which means that 1.5% interest is applied to student loans, but this rate may vary if the bank rate is increased or decreased.

## I've heard you can avoid repayments if you move abroad?

Afraid not! You'll still be responsible for repayments wherever you live.

Find out more about repaying student loans at:

**<http://bit.ly/1fF5WLg>**



# THE BENEFITS OF HIGHER EDUCATION

**As a graduate, you'll be more likely to find work than those with only school level qualifications, and it's likely that you'll earn much more over your lifetime, depending on what subject you study and how well you do in your degree.**

Getting a degree, HNC or HND is about much more than just money. It allows you to study a subject you love, offers more career options, builds your confidence, and lets you explore new places, meet new people from different countries and backgrounds

and make friends for life.

- Ultimately, it is up to you whether or not you take out a student loan during your time at university.
- Paying back a student loan is YOUR responsibility, not your parents, so use the

time before you go on to higher education to think through your options.

- Talk to your parents, friends, teachers and ask questions of other people and of yourself to consider **what's best for you.**



## CASE STUDY

**Fiona, from Glasgow, is a Focus West student mentor who recently graduated from the University of the West of Scotland. She took 'the long route' to uni having left school at 16 to go to college.**

'I did an NQ, then an HNC and then I went into first year of a degree. It was a lot of hard work, but you get through it, and it is worth it. It's doable

with bursaries and loans, it's not hard going. And I was working part time as well so it was fine. I think you have to just put it into perspective.

You need to be able to try and juggle aspects of your life to make things work, but it's a great experience.'

# USEFUL SOURCES OF INFORMATION

- **Student Awards Agency Scotland (SAAS)**  
[www.saas.gov.uk](http://www.saas.gov.uk)
- **SAAS** on Facebook:  
[www.facebook.com/saasfb](http://www.facebook.com/saasfb)
- **SAAS** on Twitter:  
[mobile.twitter.com/saastweet](http://mobile.twitter.com/saastweet)
- **SAAS** on Youtube:  
[www.youtube.com/user/fundingawareness](http://www.youtube.com/user/fundingawareness)
- **Student Loans Company** Frequently Asked Questions: <http://bit.ly/1fF5WLg>
- **PlanIt** holds useful information on studying at college and university:  
[www.planitplus.net](http://www.planitplus.net)
- **Information on studying in Europe:**  
[www.studyineurope.eu](http://www.studyineurope.eu)
- The **Lothians Equal Access Programme for Schools (LEAPS)** has an excellent jargon buster on their website which explains lots of terms associated with student finance:  
[www.leapsonline.org/higher-education-jargon-buster.html](http://www.leapsonline.org/higher-education-jargon-buster.html)
- The **National Union of Students (NUS) Scotland** provide help and advice for current and prospective students:  
[www.nus.org.uk/en/nus-scotland](http://www.nus.org.uk/en/nus-scotland)
- **Young Scot** offers advice for students preparing for university and college [www.young.scot/information](http://www.young.scot/information)
- **The Money Charity** [www.themoneycharity.org.uk/advice-information/students](http://www.themoneycharity.org.uk/advice-information/students) and **Money Saving Expert** [www.moneysavingexpert.com/students](http://www.moneysavingexpert.com/students) focus on the English funding system, but offer helpful advice for all students
- For a **database** of universities and colleges' **websites relating to student finance** see <http://bit.ly/database-of-scottish-universities-finance-pages> for details
- **Scholarship search** is a free website that lets you search for scholarships, trusts and sponsorships:  
[www.scholarship-search.org.uk](http://www.scholarship-search.org.uk)



# MAKE SURE YOU HAVE ALL THE FACTS ABOUT STUDENT FINANCE... AND THINK THROUGH YOUR OPTIONS CAREFULLY BEFORE YOU APPLY FOR HIGHER EDUCATION

## Remember:

- You must apply to SAAS to have your fees paid for every year of your course, even if you do not intend to apply for a bursary or loan
- You can apply to SAAS for your funding from April each year. Don't wait for your exam results or an unconditional offer before applying for funding
- Apply by 30 June to guarantee funds are in place in time for your course beginning
- If your application is late, your money may be too
- You don't have to apply for a loan to be entitled to a bursary
- You don't have to apply for the full loan amount available to you
- If your household income is less than £34,000 then you'll have to provide details to SAAS to make sure you receive a bursary

This information is correct at time of publication (August 2015) but may be subject to change. See [www.saas.gov.uk](http://www.saas.gov.uk) for detailed information and updates.

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